

Calendar No. 448

107TH CONGRESS }
2d Session }

SENATE

{ REPORT
107-180

EXCHANGING LAND RIGHTS RECEIVED UNDER THE ALASKA NATIVE CLAIMS SETTLEMENT ACT

JUNE 26, 2002.—Ordered to be printed

Mr. BINGAMAN, from the Committee on Energy and Natural
Resources, submitted the following

R E P O R T

[To accompany S. 1325]

The Committee on Energy and Natural Resources, to which was referred the bill (S. 1325) to ratify an agreement between the Aleut Corporation and the United States of America to exchange land rights received under the Alaska Native Claims Settlement Act for certain land interests on Adak Island, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill, as amended, do pass.

The amendment is as follows:

On page 7, line 2, strike “Notwithstanding any other provision of law,” and insert “Notwithstanding the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 483–484) and the Defense Base Closure and Realignment Act of 1990, as amended (10 U.S.C. 2687),”.

PURPOSE

The purpose of S. 1325 is to ratify an agreement between the Aleut Corporation and the United States to exchange land rights received under the Alaska Native Claims Settlement Act for certain land interest on Adak Island.

BACKGROUND AND NEED

Adak Island is located in the middle of the Aleutian Islands chain, approximately 1,200 miles from Anchorage, Alaska, between the Pacific Ocean and the Bering Sea. In 1913, Adak Island was withdrawn as a wildlife preserve, and, in 1940, designated as a National Wildlife Refuge. Section 303 of the Alaska National Interest

Lands Conservation Act designated Adak as part of the Alaska Maritime National Wildlife Refuge.

In 1959, the northern portion of Adak Island was withdrawn for use by the Navy for military purposes. The Navy built infrastructure on the island that can support a small city of approximately 6,000 people. As a result of the designations and withdrawals made for military and wildlife purposes, Adak Island was not available for selection by the Aleut Corporation under the Alaska Native Claims Settlement Act ("ANCSA").

Pursuant to the Defense Base Closure and Realignment Act of 1990, the Department of Defense closed the Adak Naval Complex. The Aleut Corporation became interested in acquiring the Adak Naval Complex as part of its land entitlement under ANCSA and offered to exchange various non-contiguous parcels elsewhere in the refuge. The Corporation would like to use some of the facilities for commercial purposes.

In September 2000, the Aleut Corporation, the Department of the Navy, and the Department of the Interior completed negotiations on a land exchange agreement, which is expressly subject to congressional approval. Pursuant to the agreement, the Aleut Corporation would transfer approximately 47,150 acres of various tracts within the wildlife refuge to the Fish and Wildlife Service. In return, the Aleut Corporation would receive the same number of acres of land previously used by the Navy, including buildings, equipment and infrastructure. The Navy would transfer this land to the Secretary of the Interior, who in turn would convey it to the Corporation.

Under the agreement, the Navy assumes all responsibility and liability for cleanup of unexploded ordnance remaining within the Naval complex. The Navy also assumes all responsibility for cleanup of the 96 contaminated landfill areas that make the Complex a listed superfund site. Moreover, prior to conveyance, the Navy agrees to abate all friable, accessible, and damaged asbestos-containing materials identified in the Navy's most recent asbestos survey.

If any asbestos-containing materials become friable after the date of conveyance, the Aleut Corporation agrees to assume responsibility for any remediation necessary to use the buildings. The Corporation also agrees to carry out necessary remediation of lead-based paint in structures that the Corporation elects to use on lands transferred from the Navy.

Pursuant to the agreement, the United States retains easements or long-term nominally-priced leases for use of various properties, including the airport and the Fish and Wildlife Service headquarters building. In addition, the Department of the Interior will agree to any reasonable request by the Aleut Corporation to move its headquarter to another building, and the Corporation will be responsible for all relocation expenses.

The agreement states that the Navy will clean up the lands and then make a Finding of Suitability to Transfer ("FOST"). The Aleut Corporation will then have the option of either accepting or rejecting the exchange within 90 days of the FOST issuance, depending in part on the Corporation's success in obtaining financing for development of the Complex.

LEGISLATIVE HISTORY

S. 1325 was introduced by Senator Murkowski on August 2, 2001. The Committee held hearings on similar, S. 1488, in the 105th Congress, although no further action was taken. The Subcommittee on Public Lands and Forests held a hearing on S. 1325 on May 9, 2002. The Committee on Energy and Natural Resources considered S. 1325 and adopted an amendment to it at its business meeting on May 15, 2002. The Committee ordered the bill as amended favorably reported at its business meeting on June 5, 2002.

COMMITTEE RECOMMENDATION

The Senate Committee on Energy and Natural Resources, in open business session on June 5, 2002, by a voice vote of a quorum present, recommends that the Senate pass S. 1325, if amended as described herein.

COMMITTEE AMENDMENT

During its consideration of S. 1325, the Committee on Energy and Natural Resources adopted an amendment which specifies the laws excepted by section 6(a) of the bill, rather than creating a blanket waiver of “any provision of law.”

SECTION-BY-SECTION ANALYSIS

Section 1 contains congressional findings.

Section 2 ratifies the “Agreement Concerning the Conveyance of Property at the Adak Naval Complex” (September 20, 2000), and any technical amendments to the Agreement. This section provides that any modification to the lands to be removed from the National Wildlife Refuge requires the agreement of all parties and notification of Congress, and that at least 36,000 acres of land be conveyed to the Aleut Corporation under any modified agreement.

Section 3 provides that lands removed from the National Wildlife Refuge under the Agreement shall neither be considered part of the Alaska Maritime National Refuge nor be subject to any laws pertaining to it, including the conveyance restrictions imposed by section 22(g) of ANCSA.

Section 4 determines that land conveyed by the United States under the Act shall be treated as conveyance of lands or interests under ANCSA, except that receipt of such lands or interests shall not constitute a sale or disposition of land or interests received pursuant to ANCSA. Public easements for access to lands and waters under the Agreement are deemed to satisfy section 17(b) of ANCSA.

Section 5 provides that the Secretary of the Interior may acquire lands conveyed to the Aleut Corporation under the Act by purchase or exchange, on a willing seller basis only. Any reacquired lands shall be automatically included in the Refuge System.

Section 6(a) states that notwithstanding the Federal Property and Administrative Services Act and the Defense Base Closure and Realignment Act, Department of Navy personal property remaining on Adak Island is deemed related to the real property and shall be conveyed to the Aleut Corporation at no additional cost.

Subsection (b) requires the Secretary of the Interior to convey to the Aleut Corporation those lands identified in the Agreement as former landfill sites without charge to the Corporation's entitlement under ANCSA.

Subsection (c) provides that any property received pursuant to the Act shall be treated as not developed until actually occupied, leased or sold by the Aleut Corporation or its wholly owned development subsidiary. This provision applies to determinations under section 21(d) of ANCSA and section 907(d) of the Alaska National Interest Lands Conservation Act.

Subsection (d) states that upon conveyance to the Aleut Corporation of the lands described in Appendix A of the Agreement, the lands described in Appendix C of the Agreement will become unavailable for selection under ANCSA.

Subsection (e) provides that the maps in Appendix A to the Agreement describe the lands to be conveyed to the Aleut Corporation, and shall be left on file at indicated Fish and Wildlife Service offices. In the case of any discrepancies, the maps shall control over the written legal descriptions of the same lands in Appendix A.

COST AND BUDGETARY CONSIDERATIONS

The following estimate of the costs of this measure has been provided by the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 17, 2002.

Hon. JEFF BINGAMAN,
Chairman, Committee on Energy and Natural Resources,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1325, a bill to ratify an agreement between the Aleut Corporation and the United States of America to exchange land rights received under the Alaska Native Claims Settlement Act for certain land interests on Adak Island, and for other purposes.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Megan Carroll (for federal costs), and Marjorie Miller (for the state and local impact).

Sincerely,

BARRY B. ANDERSON
(For Dan L. Crippen, Director).

Enclosure.

S. 1325—A bill to ratify an agreement between the Aleut Corporation and the United States of America to exchange land rights received under the Alaska Native Claims Settlement Act for certain land interests on Adak Island, and for other purposes

CBO estimates that implementing S. 1325 would have no significant impact on the federal budget. The bill would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

S. 1325 would ratify an agreement between the federal government and the Aleut Corporation, an Alaskan Native corporation. Under that agreement, the federal government would convey to the

corporation about 47,000 acres of federal lands and improvements on Adak Island in Alaska. In exchange, the corporation would give up its entitlement to 47,000 acres of undeveloped federal lands in the Aleutian Islands, which it has selected under the Alaska Native Claims Settlement Act. Under the agreement that would be ratified by the bill, the Fish and Wildlife Service (FWS) would manage those lands in the Aleutian Islands as part of the national wildlife refuge system.

The lands that would be conveyed to the corporation under S. 1325 comprise the site of a former naval air facility that was closed in 1996. According to the Department of Defense (DoD) and the FWS, the lands currently generate no receipts and are not expected to do so over the next 10 years; hence, CBO estimates that the proposed exchange would not affect offsetting receipts. Based on information from DoD and the FWS, we also estimate that the exchange would not significantly affect federal costs for land management.

S. 1325 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments. Any costs that the corporation would incur as a result of the agreement ratified by this bill would be voluntary.

On May 3, 2002, CBO transmitted a cost estimate for H.R. 4546 as ordered reported by the House Committee on Armed Services on May 1, 2002. Section 2863 of that legislation is substantively similar to S. 1325, and our estimates of the cost of the proposed land exchange under both pieces of legislation are the same.

The CBO staff contacts for this estimate are Megan Carroll (for federal costs), and Marjorie Miller (for the state and local impact). This estimate was approved by Robert A. Sunshine, Assistant Director for Budget Analysis.

REGULATORY IMPACT EVALUATION

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee makes the following evaluation of the regulatory impact which would be incurred in carrying out S. 1325. The bill is not a regulatory measure in the sense of imposing Government-established standards or significant responsibilities on private individuals and businesses.

No personal information would be collected in administering the program. Therefore, there would be no impact on personal privacy.

Little, if any, additional paperwork would result from the enactment of S. 1325.

EXECUTIVE COMMUNICATIONS

The testimony provided by the Department of the Interior and the Department of the Navy at the Subcommittee hearing follows:

STATEMENT OF RANDAL BOWMAN, SPECIAL ASSISTANT TO THE ASSISTANT SECRETARY FOR FISH, WILDLIFE, AND PARKS, DEPARTMENT OF THE INTERIOR

Mr. Chairman, thank you for the opportunity to testify today on S. 1325, which would ratify a land exchange agreement negotiated between the Federal government and The Aleut Corporation concerning the former Naval

Air Facility, Adak, and much of the surrounding military withdrawal on the remote Adak Island in the Aleutian Chain of Alaska.

After five years of negotiations, The Department of the Interior, the Department of the Navy, and The Aleut Corporation signed a land exchange agreement in September of 2000. This Agreement has subsequently been renewed twice. Legislation ratifying the signed agreement is necessary to remove the former Naval Complex from the National Wildlife Refuge system. Legislation would also resolve several legal issues regarding the conveyance of real and personal property.

Adak Island was withdrawn in 1913 as a wildlife preserve and in 1940 designated a National Wildlife Refuge. In 1959, the Secretary of the Interior withdrew and reserved the northern portion of the island for use by the Navy for military purposes in Public Land Order No. 1949. In 1980, the Alaska National Interest Lands Conservation Act incorporated Adak Island, and other refuge islands, as part of the new Alaska Maritime National Wildlife Refuge. The Naval Air Facility—Adak was operationally closed in March 1997 under the Base Realignment and Closure procedures. The Navy will request revocation of the Public Land Order as the final part of its base closure and clean-up.

At its peak, the Navy-built infrastructure on Adak could support a small city of about 6,000 people. The Naval Complex is also a “Super Fund Site” with more than 96 contaminated sites. The Navy has acknowledged responsibility for cleanup and is currently taking remedial actions. However, it is unlikely that the intensively used area could be suitably rehabilitated for use as a wildlife refuge.

After the base closure announcement was made, The Aleut Corporation offered to exchange a portion of its Alaska Native Claims Settlement Act entitlement, elsewhere in the Aleutian Islands, for the northern portion of Adak Island occupied by the Naval Complex. With the exception of cemetery and historic sites, Adak Island was not available for selection under the 1971 Alaska Native Claims Settlement Act.

The outline of a basic exchange agreement was negotiated by the Fish and Wildlife Service, the Navy and The Aleut Corporation in December 1996. This agreement involved an unequal value exchange of about 47,000 acres of The Aleut Corporation’s Alaska Native Claim Settlement Act entitlement for an equal number of acres including the improvements on the Adak Naval Complex. Negotiations were complex and required the resolution of issues such as indemnification, long-term responsibility for demolition and cleanup of the buildings not needed for reuse, actual exchange boundaries, the status of the Fish and Wildlife Service’s administrative facilities on Adak and The Aleut Corporation’s desire for an immediate master lease on Adak to start reuse prior to completion of an exchange agreement. In March of 1998, a hearing was held before

the Senate Committee on Energy and Natural Resources. Several weeks after the hearing the Navy announced they had discovered archival evidence from World War II of additional unexploded ordnance (UXO). The discovery stalled negotiations and started an intensive ordnance and explosives cleanup on the island.

In September of 2000, with ordnance and explosives cleanup underway and several significant issues regarding exchange boundaries resolved, the Parties signed an exchange agreement. This agreement has been renewed twice and is currently valid until December 31, 2002. Additionally, The Aleut Corporation is trying to establish viable businesses and a community on the island. The city of Adak was incorporated as a second-class city by the State of Alaska in spring of 2001. In March 2002, the Navy announced that the last uniformed Navy personnel had left the island. The Navy has recently signed a Finding of Suitability for Transfer for 32,150 acres of lands included in the agreement. Cleanup will continue this summer on the remainder (15,000 acres) of the exchange lands and presumably a Finding of Suitability for Transfer for this remainder can be finalized in 2003. It should be noted that the decision point for the Aleut Corporation in the signed agreement is 90 days after EPA concurs with the Finding of Suitability for Transfers signed by the Navy for the remainder of the exchange lands.

By our actions over the last seven years, the Service has clearly demonstrated our commitment in helping The Aleut Corporation reuse the former Adak Naval Air Facility. We are willing to have lands with improvements on Adak removed from the Alaska Maritime National Wildlife Refuge in exchange for undeveloped land elsewhere in the Aleutians. We want the community of Adak to succeed. Like the Aleuts, the Alaska Maritime National Wildlife Refuge has a long-term commitment in the Aleutians. For years, the Navy presence on Adak facilitated our management activities in the Aleutians. We maintain a refuge subunit headquarters on the island and have used Adak as a resupply port for our 120 foot research vessel. We will continue working in the Aleutians and with the community of Adak.

We recognize both The Aleut Corporation's desire to profitably convert the considerable infrastructure on Adak to a successful new community as well as their reluctance to expose their corporation to financial risk. Therefore The Aleut Corporation, not the Federal Government, must make their final decision as to whether a land exchange involving Adak is in the best interest of the corporation and its shareholders.

In the end a land exchange involving national wildlife refuge lands must also benefit, or at least not harm, the National Wildlife Refuge system. Therefore, we support the approach S. 1315 takes of ratifying a completed exchange agreement between the Federal Government and The Aleut Corporation. We have negotiated a good agree-

ment that gives The Aleut Corporation considerable land and facilities on Adak in exchange for their entitlement to other Aleutian islands valuable as wildlife habitat.

STATEMENT OF H.T. JOHNSON, ASSISTANT SECRETARY OF
THE NAVY (INSTALLATIONS AND ENVIRONMENT)

Mr. Chairman and members of the Committee, I am H.T. Johnson, Assistant Secretary of the Navy (Installations and Environment). I appreciate the opportunity to speak to you today on S. 1325.

NAVY SUPPORTS S. 1325 AND H.R. 4546

S. 1325 would ratify an agreement signed in September 2000 by The Aleut Corporation (TAC), the Department of the Navy (DON), and the Department of Interior (DoI) to exchange land and related personal property. Similar language is included in Section 2863 of H.R. 4546. The differences between the two bills are not significant to the DON, and we would support either one.

The legislation is the critical enabler that would allow Navy to dispose of property that comprised the former Naval Air Facility Adak (NAF Adak), Alaska, which was closed as a result of the 1995 round Base Realignment and Closure (BRAC). It would promote economic reuse of the developed portions of the base by native Alaskans, while enhancing the Alaska Maritime National Wildlife Refuge. I urge your support of this legislation. Its enactment this year will permit timely implementation of the land conveyance it authorizes.

Let me share a bit of background about the Navy's presence at Adak, some details of the transfer agreement, and Navy's efforts to complete environmental cleanup and promote economic reuse.

NAVAL AIR FACILITY, ADAK

Adak Island has been federal property since the United States acquired Alaska from Russia in 1867. Since 1913 it has been a federal wildlife refuge. In 1980, all of Adak Island was included within the Alaska Maritime National Wildlife Refuge established by Congress in the Alaska National Interest Lands Conservation Act (ANILCA), and it remains part of that wildlife refuge today.

Military presence on Adak began during World War II with its use [occupation] as a staging area to mount a counteroffensive to dislodge the Japanese from Attu and Kiska Islands. Navy presence at Adak was officially recognized by Public Land Order 1949, dated August 19, 1959, which withdrew the northern portion of Adak Island, comprising about 76,800 acres, for use by the Navy for military purposes. Notwithstanding that withdrawal, the property remains part of the wildlife refuge. Navy used the base to conduct a variety of Cold War era military activities.

Naval Air Facility Adak was on the list of DoD installations recommended for closure in 1995, and the recommendations became final when Congress did not disapprove the list. The active Navy mission ceased and the base operationally closed in March 1997. Since then, the Navy has been doing environmental cleanup and property disposal activities.

In most cases, closing military bases have been located within or near established communities and the affected local governments usually form a local redevelopment authority to plan and implement reuse. Adak was located in the unorganized borough of Alaska. It was not near to or part of a local community or within the jurisdiction of any political subdivision of the state. The Adak Reuse Corporation (ARC) was organized as a not-for-profit corporation under State of Alaska law, and its membership included a range of interests in the region. The ARC was recognized by DoD as the Adak local redevelopment authority, and continues to act in that capacity.

In carrying out its responsibilities at closing bases, Navy seeks to achieve a number of goals:

- Close bases quickly, but in a manner that will preserve valuable assets to support rapid reuse and redevelopment.
- Give high priority to local economic development when disposing of available real and personal property.
- Put available property to productive use as quickly as possible through leases and conveyances to spur rapid economic recovery and reduce caretaker costs.
- Fast-track environmental cleanup by removing needless delays while protecting human health and the environment.
- Make every reasonable effort to assist the local redevelopment authority in obtaining the available personal property needed to implement its redevelopment plan.
- Coordinate Federal resources to assist community economic recovery.

Navy has worked hard to apply these philosophies to the unique circumstances at Adak. Let me briefly outline what we have done.

LAND EXCHANGE

Early in the closure process, TAC expressed interest in exchanging some of its Alaska Native Claims Settlement Act (ANCSA) real property interests for property at Adak. The DoI sought opportunities to enhance the wildlife refuge. The resulting framework is that the Navy would relinquish the withdrawn lands comprising for former NAF Adak to DoI, who would then convey approximately 47,150 acres on Adak to TAC in exchange for TAC relinquishing an equal amount of TAC Native Land Selections and entitlement under the Alaska Native Claims Settlement Act. In September 2000, DON, DoI and TAC signed an Agreement that sets for terms and conditions of an eventual exchange under which TAC will obtain title to approximately

47,150 acres of the former Adak military reservation, as well as all of the remaining Navy personal property.

Because Adak is within the wildlife refuge, special legislation from Congress embodied in S. 1325 and H.R. 4546 is needed to convey Adak property to TAC, a non-federal party, who will use it for non-refuge purposes.

This exchange benefits all parties. The property occupied by the former NAF Adak has well over \$1 billion invested in numerous buildings, improvements and personal property associated with its former military mission. Thus, TAC benefits by acquiring all of the developed portions of the island. Everything is in place to stimulate economic reuse, create jobs and establish a community on Adak.

Without the exchange, the property would revert to DoI as a wildlife refuge. However, the developed portion of the base would present a liability for DoI and compromise its value as a wildlife habitat. The exchange benefits Interior by providing it with equivalent wildlife habitat, along with important conservation safeguards on portions of land to be transferred to TAC.

The Navy benefits by terminating the land withdrawal of the largest single portion of BRAC real estate in a manner that enables the remaining infrastructure to be productively reused rather than being demolished at significant additional expense to be suitable for reversion to a wildlife refuge.

U.S. taxpayers benefit by enhancing opportunities for productive use of the infrastructure constructed and supporting personal property acquired at taxpayers' expense, while enhancing the wildlife refuge in Alaska.

ENVIRONMENTAL CLEANUP

In addition to the legislation, completing the conveyance of Adak property to TAC also requires the Navy to clean up environmental contamination and certify that we have taken all remedial action necessary to protect human health and the environment with respect to any hazardous substances. In partnership with the State of Alaska Department of Environmental Conservation (ADEC) and the U.S. Environment Protection Agency (EPA) we have made great strides toward that goal. Since early 1996 there has been an active Adak Restoration Advisory Board, comprised of interested stakeholder representatives and members of the public, that has been a primary means of sharing information and obtaining public comment on environmental cleanup plans. In April 2000, ADEC and EPA concurred in a Record of Decision that addressed all chemical and petroleum site issues. All of the chemical site remedies, and most of the petroleum site remedies are now in place.

Munitions response at NAF Adak presented a more formidable challenge. Military actions there during World War II held the potential for widespread unexploded ordnance and scattered munitions disposal sites. A project team that includes the Navy, state and federal environ-

mental regulators, as well as, the U.S. Fish and Wildlife Service, TAC, and the Aleutian/Pribilof Islands Association has been addressing unexploded ordnance issues. Extensive ordnance investigations in the main developed "downtown" core areas were completed in 1977 and 1998. Additional investigations of known or suspected World War II era range areas and minefield locations have been carried out since that time. The Navy, with the concurrence of federal and state environmental regulators, signed a Record of Decision in December 2001 for all munitions response work on the property to be transferred to TAC.

I am pleased to report that last month, the Navy issued a Finding of Suitability to Transfer (FOST) for 32,150 acres of the 47,150 acres intended for conveyance to TAC. A FOST for the remaining 15,000 acres intended for conveyance to TAC is planned by early 2003, when Navy expects to complete ordnance investigation and clearance in that area.

In addition to the 47,150 acres proposed for conveyance to TAC, there are approximately 29,650 additional acres in the Adak military public land withdrawal, of which about 25,500 acres are environmentally suitable for transfer now. Navy expects to relinquish its public land withdrawal on that property to U.S. Fish and Wildlife Service at the appropriate time. Navy is still investigating ordnance issues on the remaining 4,150 acres, and Navy will retain that property until it is found to be safe for other uses. Fences and warning signs are in place to control access.

FACILITATING REUSE

The Navy has worked very closely with ARC and TAC to enable reuse to move ahead. When the active military mission ended in March 1997, we contracted with wholly owned subsidiaries of TAC to protect and maintain the facilities and provide services to support Navy environmental cleanup activities. This enabled TAC to become familiar with the facilities and their operation. When that contract ended in September 2000, the Navy funded a grant of \$3 million to ARC, administered by the Department of Commerce Economic Development Administration (EDA), to assist in the transition to local operation of the Adak infrastructure in support of reuse. The Congress has provided additional financial support each year.

In June 1988, we entered into a lease with ARC authorizing them to use or sublease virtually the entire developed core of the base. That lease has enabled a number of reuse activities. The Navy and ARC have worked together to "privatize" vessel and aircraft fueling operations, and to commence rental housing operations. ARC subleased space to Adak Seafoods, which subsequently became Adak Fisheries. They began fish processing operations in a waterfront warehouse in early 1999 and continue in operation today, with an on-island workforce that fluctuates seasonally between approximately 50 and 100 people. A public school with grades K through 12 has been operating at

Adak since the fall of 1998. There is also a general store serving the needs of the on-island population and visiting ship crews.

The vote to incorporate a new City of Adak was held on April 3, 2001, and affirmed the desire of the Adak community to become Alaska's western-most City. We are working closely with officials of the new City of Adak and they are beginning to take on an important role in this overall transition.

CONCLUSION

We have come a long way. The foundation for success is in place. The partnerships among the stakeholders is the glue that holds it all together, and we appreciate the proactive engagement of the ADEC and Department of Commerce EDA in working with all the parties to help build solutions to the many obstacles encountered along the way. There is still work to do, but the pieces are in place to get there and, most importantly, there appears to be a shared sense of purpose to do what is needed to succeed.

Legislation embodied in S. 1325 and H.R. 4546 is the critical enabler to conveyance and economic reuse of the former NAF Adak. I urge your support for this legislation in this session of Congress.

Thank you, Mr. Chairman and members of the Committee. I am available to respond to any questions you may have.

CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the Committee notes that no changes in existing law are made by S. 1325 as ordered reported.

